

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0259-02  
Bill No.: Perfected HCS for HB 209  
Subject: Crimes and Punishment; Victims of Crimes  
Type: Original  
Date: April 22, 2015

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Bill Summary: This proposal raises the amount the Crime Victims' Compensation Fund can pay to eligible victims. The proposal also adds board certified psychiatric-mental health nurse practitioners or clinical nurse specialists to the list of medical professionals from whom treatment costs may be compensated.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Crime Victims' Compensation	(Could exceed \$170,085)	(Could exceed \$204,102)	(Could exceed \$204,102)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Could exceed \$170,085)</b>	<b>(Could exceed \$204,102)</b>	<b>(Could exceed \$204,102)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of Administration - Budget and Planning (B&P)** state the legislation will raise the maximum amount per week from \$200 to \$400 that a crime victim is able to claim in lost wages from the Crime Victims' Compensation Fund.

Based on estimates provided to Budget and Planning by the Department of Public Safety (DPS) Crime Victims Program, the DPS anticipates a \$100,000 increase in wage loss payouts per fiscal year.

According to the Crime Victims' Compensation Program statistics available on the Missouri Department of Public Safety's website, the average wage loss compensation for the last three fiscal years is \$204,000. Since this legislation could potentially double that payout, B&P estimates that \$204,000 is the high-end estimate of the annual increase in wage loss compensation.

The language added in the HCS requires a victim's next of kin to designate a funeral home as a claimant. At this time, qualifying funeral expenses are reimbursed up to \$5,000. B&P anticipates that adding funeral homes to the definition of claimant may increase the pool of applicants to the Crime Victims' Compensation Program due to increased awareness; however, it is anticipated that this increase will be negligible since funeral expenses are already reimbursable. Therefore, no additional costs were figured into the fiscal note response for the HCS.

Based on the information above, B&P estimates that the Crime Victims' Compensation Fund will have an increase in payouts ranging between \$100,000 and \$204,000 annually upon implementation of this legislation.

Officials from the **Department of Public Safety - Office of the Director (DPS)** assume the proposal would not fiscally impact their agency. DPS states that by increasing the reimbursement level for lost wages from \$5.00 per hour to \$10.00 per hour, there will not be a negative impact on the fund because there is already a cap in place of \$25,000 per crime victim. The increase in lost wages does not increase the cap, and therefore, does not negatively affect the fund.

ASSUMPTION (continued)

**Oversight** assumes this proposal would double the amount of reimbursement from the Crime Victims' Compensation Fund for lost wages from up to \$200 per week to up to \$400 per week. Oversight also assumes not all recipients already receive the \$25,000 cap. According to DPS' web site, over the past three years the following amounts were paid through the Crime Victims' Compensation Program for wages:

FY 2012	\$212,555
FY 2013	\$189,738
FY 2014	\$210,015

Therefore, Oversight will take an average of these three years (\$204,102) and assume DPS could double the amount paid from the Crime Victims' Compensation Fund (0681). Oversight will reflect 10 months of impact in FY '16.

The balance of the Crime Victims' Compensation Fund (0681) at March 31, 2015 was \$9,490,559.

House Amendment 1: - adds board certified psychiatric-mental health nurse practitioners or clinical nurse specialists to the list of medical professionals from whom treatment costs may be compensated.

In response to a similar proposal from this year (HB 49), officials from the **Department of Public Safety** assumed this change could result in additional costs to the program, but would be absorbable under current appropriations.

Current statute states that the medical expenses per eligible claim, for psychiatric, psychological or counseling expenses resulting from the crime committed, cannot exceed \$2,500. In addition, there is a maximum limit of \$25,000 total costs paid out per eligible claim.

This proposal adds a medical service provider to the list of approved costs for reimbursement, but does not change the per person maximum payout.

**Oversight** assumes this will affect the Crime Victims' Compensation Fund by an unknown amount. Therefore, Oversight will reflect a fiscal impact that "could exceed" that calculated for the underlying bill.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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# **CRIME VICTIMS COMPENSATION**

<u>Costs</u> - Department of Public Safety - increasing the maximum amount that could be paid for wages from \$200 per week to \$400 per week and allowing psychiatric treatment from Board certified psychiatric-mental health clinical nurse specialist or board certified psychiatric- mental health nurse practitioner	<u>(Could exceed \$170,085)</u>	<u>(Could exceed \$204,102)</u>	<u>(Could exceed \$204,102)</u>
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<b>ESTIMATED NET EFFECT TO THE CRIME VICTIMS COMPENSATION FUND</b>	<u><b>(Could exceed \$170,085)</b></u>	<u><b>(Could exceed \$204,102)</b></u>	<u><b>(Could exceed \$204,102)</b></u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

## FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

## FISCAL DESCRIPTION

Under current law, the Crime Victims' Compensation fund can pay eligible victims up to \$200 per week for the loss of employment and for injury or death.

This proposal raises that amount to \$400 per week.

This proposal authorizes board certified psychiatric-mental health clinical nurse specialists and board certified psychiatric-mental health clinical nurse practitioners to be eligible for reimbursement by crime victim compensation when providing crisis counseling.

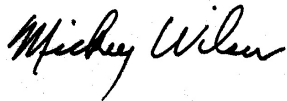
FISCAL DESCRIPTION (continued)

The proposal also allows the victim's family or next of kin to sign a notarized statement designating the funeral home as a claimant eligible for compensation from the fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety  
Office of Administration - Budget and Planning



Mickey Wilson, CPA  
Director  
April 22, 2014

Ross Strope  
Assistant Director  
April 22, 2014